



Alpine Gems & Minerals

Paul & ArJean Lamoreaux, owners
P.O. Box 610
Parowan, Utah 84761
(435) 477-3350

cc: Doug 0008
5/053/078

July 7, 2006

Doug Jensen
State of Utah, Department of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

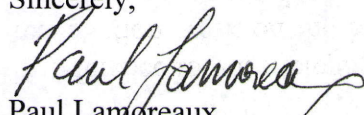
Subject: Cessation Order MC-2006-02-01(1)
Certified Return Receipt #7004 2510 0004 1824 3564
East Side #1 Mine

Dear Mr. Jensen,

In reference to your telephone discussion with Ben Lamoreaux, we have recently completed the reclamation work on the Marc #1 claim that was requested by Steve Winslow with the Forest Service, prior to the deadline requested. We need time to review this new reclamation work with Steve, and to modify the bond estimate for Marc #1, which we anticipate will be greatly reduced, allowing us to use these funds to cover the bond for the Eastside Mine. I am requesting an additional extension of 60 days to put a reclamation surety bond in place for the Eastside mine, which we are anticipating will already be covered by the existing bond. A surety bond was already paid to the Forest Service for the Marc #1 quarries in the amount of \$4,900. We anticipate that the bond amount currently being held by the Forest Service is adequate for any remaining reseeding on Marc #1, as well as to cover the East Side Mine. The current discussion with the Forest Service is for us to bond reclamation for approximately 0.3 acres on the East Side Mine, for mining to take place over the next 5 years. My engineer will modify the cost estimate for the remaining Marc #1 reclamation work, as well as the planned reclamation for East Side. We will need to meet again with the Forest Service to agree on these amounts, and ask for this additional time to do so, so we can determine the correct amount of the surety.

You can contact me at my home at (435) 477-3350, or you can contact Ben Lamoreaux at (435) 701-1875 (cell phone), (435) 586-0174 (office). Please let us know.

Sincerely,


Paul Lamoreaux
Alpine Gems & Minerals

RECEIVED

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DIV. OF OIL, GAS & MINING

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